

Centers for Medicare & Medicaid Services – Special Terms and Conditions

<<< Project No. # 21-W-00004/5 >>>

I. PREFACE

The following are Special Terms and Conditions for the award of the Minnesota Children's Health Insurance Program Section 1115 Demonstration (Minnesota Demonstration) request submitted on December 11, 2000. The demonstration Population is defined in the award letter that accompanies these Special Terms and Conditions.

The Special Terms and Conditions have been **arranged** into two broad subject areas: General Conditions for Approval, and **Program** Design. In addition, specific requirements are attached and entitled: General Financial Requirements (Attachment A).

The State agrees that it will comply with all applicable Federal statutes relating to Nondiscrimination. These include, but are not limited to: the Americans with Disabilities Act, title VI of the Civil Rights Act of **1964**, Section **504** of the Rehabilitation Act of 1973, and the Age Discrimination Act of 1975.

Letters, documents, reports or other material that is submitted for review or approval shall be sent to the Minnesota Demonstration Project Officer and the Associate Regional Administrator in the Chicago Regional **Office**.

II. GENERAL CONDITIONS

- A. CMS may suspend or terminate any project, in whole or in part, at **any** time before the date of expiration whenever it determines that the awardee has materially failed to comply with the terms of the project. CMS will promptly notify the awardee in writing of the determination and the reasons for the suspension or termination, together with the effective date. The State waives none of its rights to challenge CMS' finding that the State materially failed to comply. CMS reserves the right to withdraw waivers at any time if it determines that continuing the waivers would no longer be in the public interest. If a waiver is withdrawn, CMS will be liable for only normal closeout costs.
- B. The State may suspend or terminate this demonstration in whole or in part at **any** time before the date of expiration. The State will promptly notify CMS in writing of the reasons for the suspension or termination, together with the effective date. If the waiver is withdrawn, CMS will be liable for only normal closeout costs.
- C. All requirements of the Medicaid and **SCHIP** programs expressed in laws, regulations, and policy statements, not expressly waived or identified as not applicable in the award letter of which these Special Terms and Conditions are part, shall apply to the Minnesota Demonstration.
- D. The State shall, within the time **frame** specified in law, come into compliance with any relevant changes in Federal law or regulations affecting the SCHIP program that occur after the demonstration award date. The State may submit to CMS a request for **an** amendment to this demonstration to request exemption from changes in law occurring after the demonstration award date.

III. PROGRAM DESIGN/OPERATIONAL PLAN

A. Concurrent Operation

The State’s title XIX State plan, **as** approved; its title XXI State plan, as approved; and its Medicaid section 1115 demonstration entitled “MinnesotaCare,” for the time period **as** approved, will continue to operate concurrently with this section 1115 demonstration.

B. Maintenance of Coverage and Enrollment Standards for Children

1. The State shall not close enrollment, institute waiting lists, or decrease eligibility standards with respect to the children covered under its title XXI State plan while this demonstration is in effect.
2. The State shall throughout the course of this demonstration continue to show that it has implemented procedures to enroll and retain eligible children for Medicaid. In recognition of the enhanced Federal matching payments made available under this demonstration, we understand that the state intends to pursue revision of the MinnesotaCare program, to eliminate premiums for children under age 19 with family incomes at or below 185 percent of FPL after June 30, 2002. **The** State also shall throughout the course of this demonstration continue to show that it adopted and effectively implemented at least three of the following policies and procedures in its child health programs:
 - Use of a joint, mail-in application and common application procedures;
 - Procedures that simplify the redetermination/coverage renewal process by allowing families to establish their child’s continuing eligibility by mail;
 - Elimination of assets test;
 - Twelve-month continuous eligibility; or
 - Presumptive eligibility.

The State may at any time submit to CMS a request for approval to change a policy or procedure to another policy or procedure listed above.

3. In order to continue operation of this demonstration if the State exhausts the available title XXI Federal funds for the claiming period, the State will continue to provide coverage to its approved title XXI State plan population and this demonstration population with title XIX funds until further title XXI Federal funds become available. All Federal rules shall continue to apply during the period that title XXI Federal funds are not available.

C. Enrollment Data Requirements

CMS acknowledges that the State requires time to program such reports and make any necessary system changes in order to produce these reports. The State **agrees** to produce the quarterly reports retroactive to the effective date of this waiver, and ongoing reports on a prospective basis, when the necessary system programming is in place.

1. The state will provide CMS with actual and unduplicated enrollment information of the Medicaid and **SCHIP** children and this demonstration population by income, gender, race, and ethnicity. This enrollment information shall be provided to CMS in hard copy until such time as it can be reported through the **SCHIP** Statistical Enrollment Data System.
2. The State will provide CMS with copies of the following enrollment reports as part of their quarterly narrative report:
 - Number of children who applied for Medicaid or the SCHIP Medicaid Expansion and the number of adults who applied for this demonstration but were denied for, at a minimum, the following reasons: income; failure to complete the application process; coverage by private insurance; or residence in another State.
 - Number of children who were disenrolled from Medicaid or the **SCHIP** Medicaid Expansion and the number of adults who were disenrolled from this demonstration for, at a minimum, the following reasons: increase in income; failure to complete the renewal process; failure to pay premiums; purchase of private coverage; or residence in another State.

D. General Reporting Requirements

1. The State will submit quarterly progress reports, which are due 60 days after the end of each quarter. The reports should include, as appropriate, a discussion of events relating to this demonstration populations that occurred during the quarter that affect the following: health care delivery; the enrollment process for newly eligible adults and pregnant women; enrollment and outreach activities; access; complaints and appeals to the State; the benefit package; and other operational and policy issues. The report should also include proposals for addressing any problems identified in the report. Minnesota may continue to claim administrative and grant expenditures for parents and relative caretakers in MinnesotaCare under the Medicaid program until the necessary computer program changes are made in order to separately identify expenditures related to this **SCHIP** demonstration project. At the same time the State makes a claim for expenditures under **S-CHIP** for the retroactive period to the effective date of this waiver, it shall also make a corresponding decreasing adjustment under Medicaid for the same expenditures.
2. The State will submit a draft annual report no later than January 1 following the end of each Federal fiscal year. The state will provide a baseline of adult and child enrollment as of May 2001, and report any changes in enrollment relative to the baseline in each annual report. The annual report should include documentation of accomplishments; project status, including a budget update; quantitative and case study findings; policy and administrative difficulties; and progress on conducting the demonstration evaluation, including results of data collection and analysis of data to test the research hypotheses. Within 30 days of receipt of comments from CMS, a final annual report will be submitted.

3. At the end of this demonstration, a draft final **report** should be **submitted** to CMS for comments. CMS' comments must be taken into consideration **by** the State **for** incorporation into **the** final report. The State should use CMS. Office of Research and Demonstrations' Author's Guidelines: Grants and Contracts Final Reports in the preparation **of** the final report. The final report is due no later **than** 90 days after the termination of the project.